BRITISH COLUMBIA

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tel (250) 387-0327
fax (250) 387-0329

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highlights

a weekly digest of recently released British Columbia statistics

Labour Force

- **BC's unemployment rate rose 0.8 percentage points, increasing to its highest level in nearly a year (7.9%, seasonally adjusted) in August.** A net addition of 33,600 (+1.6%) people to the labour force was only partly absorbed by a 0.8% increase in employment.

  Canada's unemployment rate was also up in August (+0.3 percentage points, to 7.1%). The same factors were behind the jump in the national jobless rate. Employment rose 0.2%, while the labour force swelled by 0.5% between July and August. Unemployment rates increased in most parts of the country. Newfoundland (-0.4 points), Quebec (-0.4), New Brunswick (-0.1) and Manitoba (0.0) were the only exceptions.

  Source: Statistics Canada

- **August's relatively strong job growth was largely due to an increase in the number of self-employed (+3.1%) and public sector (+1.1%) workers–those in education, health care and other government-funded services.** Private sector employment remained unchanged from the previous month. The number of part-time jobs (+1.1%) increased more than full-time employment (+0.7%), but both men (+0.7%) and women (+0.8%) benefitted equally from the job growth. The unemployment rate for 15-24 year-olds remained high (16.0%). Among more mature workers (aged 25 and over), it was 6.4%.

  Source: Statistics Canada

- **North Coast/Nechako was the only region of BC with a double-digit jobless rate (12.8%, 3-month moving average) in August.** Employment in that region was down 5.8% from a year earlier. Residents of Mainland/Southwest (6.4%) continued to experience jobless rates that were significantly lower than in the rest of the province. In other regions, unemployment rates ranged from 8.2% in Northeast to 9.5% in Cariboo.

  Source: Statistics Canada

The Economy

- **Department stores sales in BC and the north were down again in July, dropping to 5.0% below the July 1999 level.** The latest decline was the ninth in as many months. Elsewhere in Canada, department stores have been growing steadily, with sales falling only once during this period. In July, sales were up 0.9% at the national level. They fell in Nova Scotia (-1.6%) and were flat (+0.3%) in Manitoba. Increases in other provinces ranged from +1.5% in Quebec to +6.9% in Saskatchewan. *Source: Statistics Canada*

- **The value of building permits issued by BC municipalities fell 13.0% (seasonally adjusted) between June and July.** The drop in permits originated in the non-residential sector, where the value of planned construction was down 25.7%, falling across the board. Industrial permits were down 53.1%, the value of commercial permits fell 20.7% and permits for institutional construction decreased 18.0%. Permits for residential construction projects were virtually unchanged (+0.1%) from the previous month. Alberta (-34.5%) was the only other province where building permits fell in July, but the weakness in BC and Alberta, combined with modest growth in Ontario (+7.4%) and Quebec (+2.0%) was enough to keep the national figure unchanged from the previous month.

  Source: Statistics Canada

- **Capacity utilization rates of Canadian goods producing industries rose to 87.9% in the second quarter, marking the seventh consecutive quarterly increase.** All five of the main industry groups (forestry, mining, manufacturing,

Report **Summer students in the labour market**

Did you know...
In 1995, 48% of bachelor's, 43% of master's and 31% of PhD students graduating from Canadian universities had borrowed from student loan programs. Two years after finishing their education, 1995 grads owed an average of $9,180.

construction and utilities) were operating at a minimum of 80% of their full capacity.

Source: Statistics Canada

Payroll Taxes

- **Total payroll taxes collected from employees and employers in Canada amounted to over $48 billion in 1997, averaging $4,200 per worker.** Employment Insurance (41%) and CPP (32%) payments represent the bulk of these taxes. In addition, about 14% of total payroll taxes is used to fund health, education and training and 13% goes to Workers' Compensation Boards.

  Payroll taxes accounted for 14% of all federal and provincial government revenues in 1996. The percentage varied among the provinces, ranging from 9% in Saskatchewan to 16% in Quebec. In BC, payroll taxes made up 12% of all federal and provincial government revenues.

  Source: SC, Catalogue 75-001-XPE

Moving to the City–or Back Again?

- **Between 1991 and 1996, rural communities in British Columbia experienced a net loss (-3.1%) of teenagers aged 15 to 19.** At the same time, the teenage population in urban areas rose 10.7%. It is likely that some of the migration by young people was driven by factors such as the need to pursue an education or better job possibilities in urban areas.

  However, the pattern of migration among adult British Columbians is quite different, especially in the younger age groups. Among those who were aged 20-24 in 1991, the number living in rural areas increased 29.0% as a result of net migration. The net inflow into urban centres was just 10.2%. Similarly, among the cohort aged 25-29 in 1991, the rural population increased 21.3%, while there was a net inflow of 6.5% to urban areas. For those aged 30-64 in 1991, net inflows to rural areas were in the 11-12% range, while gains from net migration in urban areas of the province ranged between 1% and 3%.

  This pattern of outflows from rural areas by teenagers, and inflows by adults aged 20 and over was seen in most provinces, but was most marked in Ontario and British Columbia. Rural areas include rural communities or small towns with an urbanized core of less than 10,000 people.

  Source: SC, Catalogue 11F0019MPE, No 152

- **While unemployment rates were typically higher in rural communities than in urban areas, this was not the case for British Columbia teenagers.** In 1996, the unemployment rate for teenagers (15-19) was 16.3% in rural areas, but 17.6% in urban centres. However, in the older age groups, the unemployment rate in rural areas was quite a bit higher than in urban centres. For example, 19.1% of 20-24 year olds in rural areas were unemployed, while 14.4% of those in urban centres were in the same boat. *Source: SC, Catalogue 11F0019MPE, No 152*

Is a University Education Still Affordable?

- **Recent tuition fee increases at many Canadian universities have created a perception that a university education is becoming much less affordable than it used to be.** During the decade ending in 1996/97, the average tuition fee for an undergraduate arts program at a Canadian university rose from $1,448 (in constant 1997 dollars) to $2,655, an increase of 83%. However, tuition fees represent only part of the cost of getting an education, and some of the additional costs associated with going to school have fallen, in real terms, during this period. On-campus housing and meal plans, plus other fees cost a typical undergraduate arts student at a Canadian university $2,974 in 1996/97. This compares to $3,604 (in 1997 dollars) a decade earlier, a decrease of 17.5%. Room and board is still the biggest cost faced by students, but accounts for a smaller share now (53%) than it did in the late 1980s (71%). Overall, the cost of tuition, food and housing for an undergraduate arts student living on-campus in Canada has risen 11.4% during the decade ending in 1996/97. As a share of family income, the cost of a year at university has gone up from 8.9% to 9.9%.

  Source: SC, Catalogue 81-003-XPB

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For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

September 8, 2000

Infoline Report: Summer student labour market – July 2000

Stephen Pal / (250) 952-6111
Research, Evaluation & Accountability
Min. of Advanced Education, Training & Technology

Originally published in the July 2000 issue, *Labour Force Statistics*. Annual subscription: $60 + GST

Summary . . . This article focuses upon recent labour force activity of full-time students aged 15 to 24 in B.C. during the month of July who plan on returning to school this Fall. Overall summer student labour market conditions did improve somewhat in July 2000 from July 1999 with a drop in unemployment rate and rise in employment rate (employment to population ratio). The drop in overall summer student unemployment rate was fully accounted for by younger students aged 15 to 19. Older students aged 20 to 24 saw a jump in their labour force participation from July 1999, which actually pushed up their unemployment rate slightly. However, the employment rate for older students rose nearly three percentage points to 54.4 per cent in July from July 1999 suggesting improved summer job availability conditions.

Introduction . . . The monthly Labour Force Survey conducted by Statistics Canada provides information on labour market characteristics of full-time students in B.C. A supplement to the Labour Force Survey conducted in the months of May to September focuses on the labour market performance of recent full-time students during the summer months.

Many post-secondary students are available for summer employment (especially full-time work) from May through August, while secondary school students will be more likely available for jobs (especially full-time work) in only July and August. This article focuses upon the month of July only, when both many secondary and post-secondary students are available for summer work.

Definitions and Issues Associated With Student Labour Force Data . . .

Full-time students . .. Youths (aged 15 to 24) are given the status of "full-time student" if they reported that they were attending school full-time in March of the current calendar year when they are surveyed in the summer months.

Returning and not returning . . . Students are further categorised by their intentions to return or not return to school full-time in the Fall or if they are unsure of their intentions. The number of all full-time students aged 15 to 24 has risen substantially, especially during the 1990's, from 229,700 in July 1990 to 312,700 in July 2000, an increase of 36 per cent. The number of returning students rose over this period by 43 per cent, but only increased by 9 per cent for not-returning students (including students who are not sure if they are returning). There was little change in numbers of students during the 1980's mainly since the youth population overall was flat that decade. The returning students category remains significantly larger in numbers and proportion than the "not sure/not returning" category. The proportion of returning students to total students stood at 84 per cent in July 2000.

Age of students surveyed . . . The two age groups of full-time students covered include those aged 15 to 19 (a good portion of whom would be secondary school students) and those aged 20 to 24 (most likely all attending either a public or private post-secondary institution). In terms of relative size, the age 15 to 19 group of full-time students (223 thousand) is two and a half times as large as the age 20 to 24 group (90 thousand).

Older students not covered in survey . . . Full-time students covered in the Statistics Canada supplemental summer survey are limited to students between the ages of 15 to 24. However, persons aged 25 and older are a growing and significant component of overall full-time post-secondary students in B.C. For example, the estimated number of full-time students in B.C. aged 25 to 29 more than doubled from 9,300 in November 1990 to 19,600 in November 1999.

Part-time students not surveyed . . . Students aged 15 to 24 who attend, or recently attended school part-time are not reported in the summer student data published by Statistics Canada. However it should be noted that there are significant and growing numbers of part-time students of all ages. In November 1999 there were 15,300 part-time students aged 20 to 24, and 12,800 part-time students aged 15 to 19.

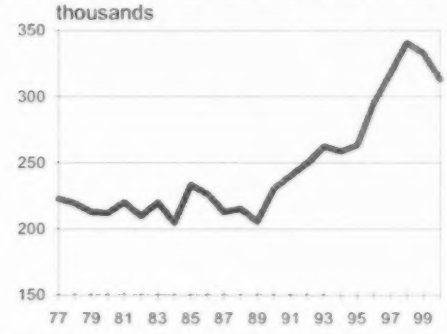
Semester systems and co-op programs may also complicate generalisations about the length and timing of the school year for those in post-

secondary studies. Those on different semester systems who are not attending school full-time in March or are on a work placement program, may not be covered by the survey.

Growth in the Student Population . . .
Figure 1 shows that the estimated number of full-time students aged 15 to 24 in B.C. (both returning and other), remained relatively unchanged during the 1980's. While the population of this age group fell, student numbers held as participation rates in education rose.

The number of full-time students during the 1990's has steadily risen due to both increased population and education participation increases. This large increase in numbers of students in the 1990's has increased the competitiveness of the summer student job market relative to the situation in the late 1980's.

Figure 1: All Full-time Students, Age 15-24



The overall labour market for youth has improved considerably since 1998 generally reflecting better opportunities for employment by youth currently than in 1998. This likely helps explain why the estimated number of full-time students has declined by 27,000 or 8 per cent in the last two years. The improved youth labour market conditions are reflected in more part-time students who combine school and work. Additionally, there is a significant increase in the numbers of youth working full-time now versus two years ago, likely some of whom have deferred entering or completing a post-secondary program.

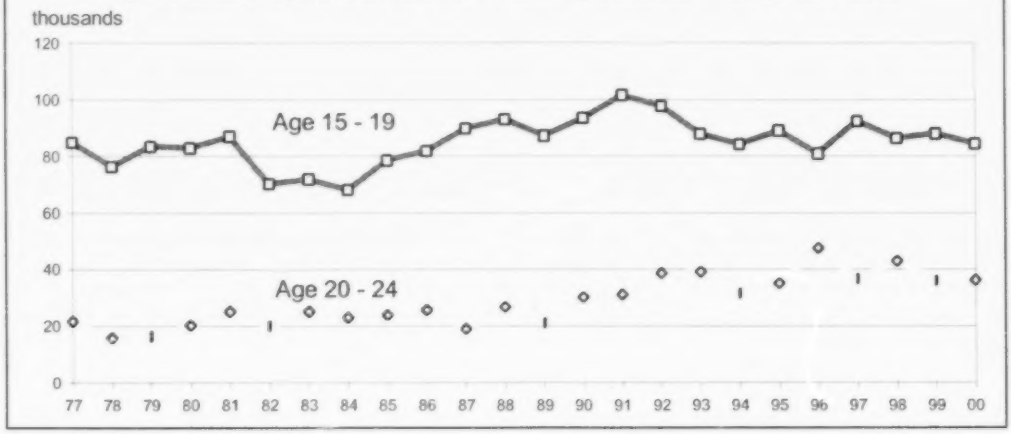
Employment for Returning Students . . . Employment levels in the month of July for returning students in B.C. during the 1980's saw slow but steady increases (see Figure 2). In part this reflected the extended recovery of the economy from the 1981/82 recession. Beginning in 1991, the number of employed summer students aged 15 to 19 started declining back to levels seen in the mid 1980's. Employment for returning students aged 20 to 24 has been generally rising since 1987.

More recently for returning students overall aged 15 to 24, their employment level in July 2000 was down 3,400 from July 1999, though this reflects a smaller returning full-time student population base (14,600 lower in July 2000 from July 1999).

Employment levels for returning students aged 15 to 19 decreased to 84,400 in July 2000 from 87,900 in July 1999, though most of the fall in full-time student population occurred amongst younger students over the last year. Nevertheless, summer employment of younger students remains well below their high of 102,000 in 1991. Employment for returning students aged 20 to 24 rose marginally by 100 to 36,100 in July 2000 from July 1999.

Employment level changes alone provide insufficient information to gauge summer student labour market changes. Both population changes and focus upon those participating in the labour force need also be considered. As noted above the drop in the number of full-time returning students since 1998 is likely the result of stronger overall youth labour market conditions. More youth appear to have deferred full-time studies in light of either working full-time or combining part-time schooling with part-time work. Such youth are not included in this survey of summer labour market activities which focus only upon full-time students.

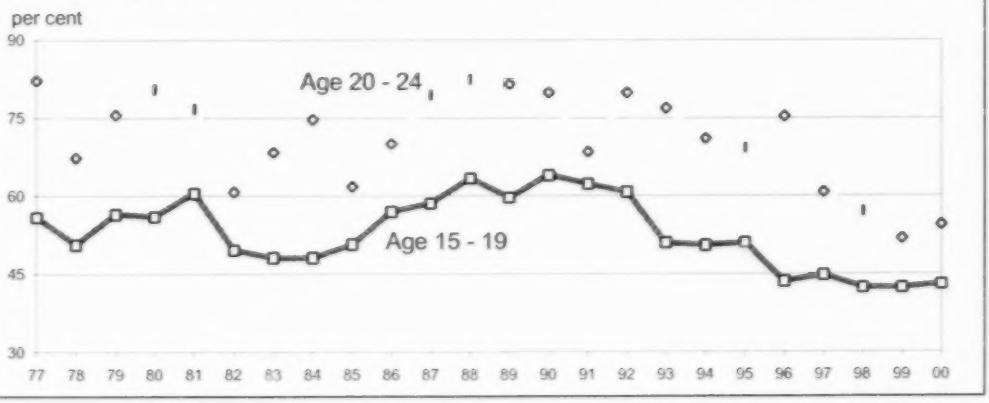
Figure 2: Employment Levels for Returning Students in July, 1977-2000



Employment Rates for Returning Students ... Figure 3 displays the employment rate (employment to population ratio) for returning full-time students in the month of July. This variable declined for both age groups in the first half of the 1990's, particularly for those aged 15 to 19. While it continued to edge lower for those aged 20 to 24 in the second half of the 1990's, it stabilized for the younger group since 1996. The employment to population ratio (employment rate) for overall returning students aged 15 to 24 of 45.9 per cent in July 2000 is up from 44.7 per cent a year ago, but is slightly lower than July 1998 and well below July 1995's level of 55.0 per cent.

For younger returning students aged 15 to 19, their employment rate of 43.0 per cent in July 2000 is up slightly from July 1999 but well down from the 50.9 per cent level in July 1995. The proportion of B.C. returning students aged 20 to 24 who were employed (employment rate) in July 2000 was 54.4 per cent, well up from the 51.7 per cent seen in July 1999 and the first increase seen since 1996. However, it remains well below the 69.2 per cent level seen in July 1995.

Figure 3: Employment Rate of Returning Students in July, 1977-2000



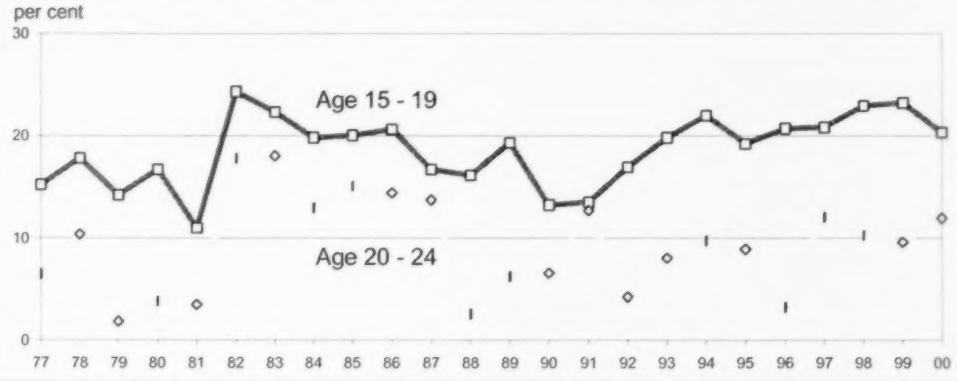
Unemployment Rates for Returning Students Figure 4 shows that the unemployment rate for full-time returning students aged 15 to 19 rose sharply in the early 1990's, but has remained

fairly stable since 1994. For older students, unemployment rates have fluctuated during the 1990's, but continue to remain only about half of the level compared to full-time students aged 15 to 19.

The overall unemployment rate for returning students aged 15 to 24 stood at 18.0 per cent in July 2000, down from both July 1998 and July 1999, but fully two percentage points higher than seen in July 1995.

The unemployment rate for returning students aged 15 to 19 in July 2000 stood at 20.3 per cent, down almost three percentage points from July 1999 (23.2 per cent). The unemployment rate for the older group of students aged 20 to 24 was 11.9 per cent in July 2000, up slightly from 9.5 per cent in July 1999. This increase was mainly due to an upward jump in their labour force participation rate this summer with only a slight rise in employment level.

Figure 4: Unemployment Rate for Returning Students in July, 1977-2000



BC STATS, Min. of Finance & Corporate Relations, Box 9410 Stn Prov Govt, Victoria, BC V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: http://www.bcstats.gov.bc.ca E-mail: BC.Stats@gems8.gov.bc.ca

Infoline

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BC at a glance . . .

POPULATION (thousands)	Apr 1/00	% change on one year ago
BC	4,052.4	0.9
Canada	30,666.9	0.9
GDP and INCOME		
(BC - at market prices)	1998	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	110,948	-0.2
GDP *($ 1992 millions)*	99,708	0.2
GDP *($ 1992 per Capita)*	24,908	-0.8
Personal Disposable Income *($ 1992 per Capita)*	15,969	-1.6
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Jun	3,238	7.5
Merchandise Exports (raw) Jun	2,838	14.3
Retail Sales (seasonally adjusted) Jun	2,960	6.2
CONSUMER PRICE INDEX		
(all items - 1992=100)	Jul '00	% change on one year ago
BC	114.2	2.0
Canada	114.1	3.0
LABOUR FORCE (thousands)		
(seasonally adjusted)	Aug '00	% change on one year ago
Labour Force - BC	2,110	0.9
Employed - BC	1,944	2.0
Unemployed - BC	166	-10.3
		Aug '99
Unemployment Rate - BC *(percent)*	7.9	8.9
Unemployment Rate - Canada *(percent)*	7.1	7.7
INTEREST RATES (percent)	Sept 6/00	Sept 8/99
Prime Business Rate	7.50	6.25
Conventional Mortgages - 1 year	7.90	7.05
- 5 year	8.25	7.80
US/CANADA EXCHANGE RATE	Sept 6/00	Sept 8/99
(avg. noon spot rate) Cdn $	1.4836	1.4874
US $ *(reciprocal of the closing rate)*	0.6749	0.6719
AVERAGE WEEKLY WAGE RATE		
(industrial aggregate - dollars)	Aug '00	% change on one year ago
BC	642.75	2.0
Canada	619.49	3.0

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

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Next week

- Labour Force Statistics, August 2000

BC STATS, Min. of Finance & Corporate Relations, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: http://www.bcstats.gov.bc.ca E-mail: BC.Stats@gems8.gov.bc.ca